

# Does opinion leadership influence service evaluation and loyalty intentions? Evidence from an arts service provider

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## Abstract

**Purpose** – The purpose of this paper is to test the moderating influence of opinion leadership between service evaluation and loyalty in the performing arts services. It also aims to identify group differences by gender and education level where this moderation effect takes place.

**Design/methodology/approach** – This research uses exploratory factor analysis (EFA), confirmatory factor analysis (CFA) to obtain composite factor scores, and multiple regression analysis with bootstrapping procedure to test for moderation; 406 participants evaluated their service experience during their visit to an arts venue. Service evaluation was operationalized using perceived quality and satisfaction.

**Findings** - Results fully support the important role of opinion leadership as a moderator. They show that during the service evaluation process, loyalty intentions are predicted differently according to the individual's opinion leadership level. When opinion leadership is high, satisfaction-related attributes are determinant to evaluate the service and predict a person's loyalty. Among individuals that score low on opinion leadership, perceived quality attributes act as a predictor of loyalty. The data also supports a moderation effect amongst women and visitors in the high education level group.

**Originality/ value** - These findings expand the current knowledge on opinion leadership behavior in the arts services. They highlight the importance of understanding opinion leaders to identify ways for an organization to strengthen interactions among arts patrons, and develop positive loyalty effects. Results suggest that, in order to maintain his/her role as a *guide* within friends and family, an opinion leader outweighs the way satisfaction attributes are evaluated to predict loyalty.

**Keywords:** Opinion leadership; service evaluation; loyalty intentions; satisfaction, perceived quality; Arts services

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## **1. Introduction and background**

Increasing participation in the performing arts has been the objective of most organizations (Colbert and Cuadrado, 2003). Achieving this goal demands more information about audiences and prospects. Research in the arts domain has responded to this information's need by observing arts consumers' characteristics and social groups that attend more frequently. Findings that describe arts participant's characteristics support Bourdieu's social stratification argument (1984) by claiming that attendance likelihood to the performing arts is explained by the individual's gender and education level, specifically women and individuals with higher educational qualifications (Andreasen and Belk, 1980; Ateca-Amestoy, 2008; Montgomery and Robinson, 2006; Montoro-Pons and Cuadrado-García, 2016; Quine, 1999).

Furthermore, in a highly competitive leisure industry, participation in the arts is confined to a small proportion of the population that overcomes barriers such as lack of time and money or transportation stress (Arts Council England, 2011). Arts managers should counterbalance these obstacles by understanding audience's attitudes towards their services and finding opinion leaders among them who can give a sound voice to their services. Service prescriptions play an important role in audience development because, in comparison to traditional forms of advertising, opinion leaders' recommendations increase loyalty to a service provider at a reduced cost (Hazelwood et al., 2009).

This paper draws aspects of the performing arts' opinion leaders to the domain of services marketing; we conceptualize the perceived service framework from an integrated perspective using service quality, satisfaction and customer loyalty, as suggested by current literature in services marketing (Gupta and Zeithaml, 2006). In response to theoretical demands to incorporate moderator variables to better explain loyalty formation (Rahman and Khan, 2014; Srivastava and Rai, 2013), we test a model using opinion leadership, establishing group differences according to gender and educational qualifications.

## 2. Arts service evaluation – Loyalty intentions link

In recent years, consumer behavior literature has adopted a process called '*Service - Profit Chain*' (Woratschek and Horbel, 2005) that claims that, when the quality of a product is perceived better than expected, consumers will be satisfied, and will more likely become loyal and important sources of profit (Heskett et al., 1997; Oliver, 1999). The general structure of these models has been thoroughly explored in the marketing literature with some variations across market domains or dimensions. Likewise, empirical studies across arts organizations have analyzed aspects of the service in similar ways (e.g. perceived satisfaction, value, service quality, emotional attachment or brand love) with the objective of exploring potential drivers of loyalty intentions. However, audience development studies have given less attention to the dimensions that may change the relationship between attitudinal and behavioral loyalty of audiences (Hand and Riley, 2016); specifically to the importance of opinion leaders in audience development (Hazelwood et al., 2009).

Current variations of the '*Service - Profit Chain*' model suggest that the inter- relationships established are more complex and require additional dimensions (Gupta and Zeithaml, 2006; Rahman and Khan, 2014; Srivastava and Rai, 2013). Results from similar models suggest either linearity, non-linearity, or more frequently, mixed results between the dimensions included (Baumann and Elliott, 2012). Evidence of non-linearity suggests that perceived quality and satisfaction are inter- independent constructs with a different relationship to loyalty. In other words, improvement of service quality does not necessarily make a customer more satisfied, but it might transform a customer into a more loyal one (Jaiswal and Niraj, 2011; Zeithaml et al., 1996). Along the same lines, research conducted in the arts incorporate similar interdependent variables that account for loyalty (Table 1). The general components of the models in Table 1 link attitudinal dimensions to evaluate the arts service received with behavioral intentions in the form of loyalty. Empirical findings in the arts services concur that service evaluation consists of functional and emotional aspects and that they both explain loyalty. Functional aspects of the service are commonly operationalized as perceived quality or brand attitude;

and those related to emotional/psychological aspects are conceptualized as satisfaction, emotional attachment, appreciation, service experience, or brand attachment (Table 1). Although it is considered that both aspects lead to different forms of loyalty, there is no consensus on the moderating variables, like opinion leadership, that condition these dimensions' (functional or emotional) directionality.

**Table 1. Empirical studies on loyalty formation in the Arts**

Drivers of Loyalty	Context of the study	Authors	Empirical approach	Findings
Brand attitude and brand attachment impact on "superficial" and "intensive" behavior. Brand attitude (4 items): likeness, positive experiences towards the venue. Brand attachment (4 items): brand identification and brand prominence. Superficial behavior (3 items): intentions regarding future recommendations, visits, or venue advocacy. Intensive behavior (2 items): future intentions regarding volunteering, and demonstration for the theater's survival.	Independent theater	(Baumgarth, 2014)	243 face-to-face questionnaires	Brand attitude and brand attachment have positive significant effects on both behaviors, superficial and intensive. Brand attitude showed no effect on intensive behavior outcomes (volunteering or demonstration for the theater's survival).
Loyalty forms investigated: word of mouth communication, frequency of attendance, subscription purchase, propensity to subscribe, longevity of patronage, and advance reservation. Attitudinal variables: originality of programming, style of works, quality assurance, authors and directors involved, theater appreciation, proximity of the venue in relation to individual's home. Sociodemographic variables like age gender, education level and occupation.	Theater goers	(Guillon, 2011)	326 self-administered questionnaires	Different forms of loyalty are driven by different factors and individual's characteristics. Quality assurance and appreciation for the directors, actors, and authors are associated with all loyalty types except with advance reservation. A high correlation between all loyalty forms was observed. This responds to an attendee's predisposition to show different loyalty forms simultaneously.
Relationship between service quality and visits among members. Service quality multidimensional scale dimensions: tangibles (4 items), reliability (5 items), responsiveness (4 items), assurance (4 items), empathy (5 items).	Children's Museum	(Maher et al., 2011)	Focus groups	Logistic regression of membership as dependent variable showed that staff empathy and attending the museum six or more times had significant effects. Staff empathy increases the likelihood of membership and repetition of visit decreases membership likelihood
Customer satisfaction, affective commitment, organizational experience, category experience and perceptions of risk with the service association.	Performing arts organization	(Johnson et al., 2008)	401 questionnaires	Affective commitment shows positive effects on satisfaction and reduces risk perceptions.
Consumers experience-related constructs predict positive repurchase intentions. Dimensions used: repurchase intentions (5 open questions), satisfaction (2 open questions), value (3 open questions), service quality (2 open questions), involvement (3 questions), and emotions (1 open question).	Performing arts	(Hume et al., 2007)	26 in-depth qualitative interviews	Functional factors like value and service quality are drivers of repurchase. Emotional attachment and show experience play a lesser role in repurchase intentions.
Service experience, satisfaction, and quality as antecedents of repurchase intentions. Impact on upward/ downward migration behavior between occasional visitors and subscribers.	Theatergoers	(Ngobo, 2005)	ND	Occasional theater goers migrate downwards, subscribers migrate upwards. Service experience does not avoid downward migration. Service experience influences upward migration

				when individual's traits are present (like age). Quality is a complement of the arts show and it enables repurchase.
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### 3. The role of Opinion leadership

Asserting that a positive evaluation of the service leads to a loyalty increase raises the question of what underlying factors modify this relationship. Taking into account observations from Flynn et al. (1996) that acting as a referral is more likely to occur among individuals who purchase high-involvement products and services that fulfill self-expression and leisure needs, and that these are common aspects in the performing arts services, we suggest that opinion leadership must be a factor that regulates the way loyalty in the performing arts is formed.

Elaborating from previous work on opinion leadership (Gatignon and Robertson, 1985; Gnambs and Batinic, 2012), the present study views opinion leadership (OL) as the acquired knowledge, opinions and expertise to influence the attitudes and actions of others towards the arts. In addressing the issue of what characterizes high OL behavior, researchers have considered the individual's psychological, behavioral, and social contexts. The psychological view defines an opinion leader as vain, self-centered, self-confident, social, individualistic, and self-perceived as unique (Bertrandias and Goldsmith, 2006; Clark and Goldsmith, 2005). Behaviorally, studies from different domains (Goldsmith and Hofacker, 1991; O'Cass and Pecotich, 2005), suggest an opinion leader is a heavy user of a particular product or service category. From a social perspective an opinion leader is a consumer with a high need for uniqueness, attention to social comparison, and conformity to social norms to maintain his/her role in the group (Bertrandias and Goldsmith, 2006; Clark and Goldsmith, 2005).

More significant to the arts services domain, Van der Merwe and Van Heerden (2009) suggest that a fundamental source of high OL is the emotional connection with friends and family. In the same direction, Shoham and Ruvio (2008) differentiates the importance of low- and high-emotional attachment between opinion leaders and the services they advocate. Moreover, Hazelwood et al. (2009)

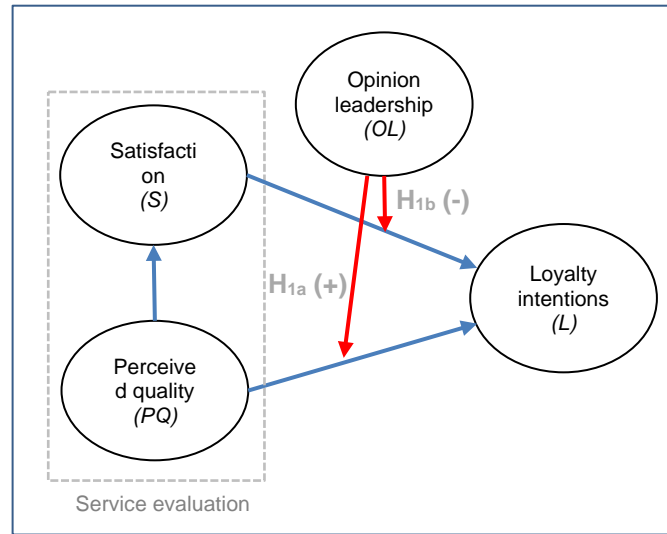
show the positive effect of OL in increasing participation amongst non-attendees to the performing arts, and write: “The theatre opinion leaders studied were shown to discuss live theatre performances with more non-attendees and accompany more non-attendees to the theatre than both non-opinion leaders and market mavens. They were also shown to be willing to initiate conversations with non-attendees (p.801)”.

#### **4. Research model and hypotheses development**

Integration of the above rationales assists in developing a model in which OL moderates the relationship between service evaluation and loyalty (Figure 1). This moderated mediation model comprises (1) testing the strength of the influence that OL exerts between service evaluation and loyalty; and (2) finding group differences by gender and education level where this OL influence take place.

The approach presented in Figure 1 is based on previous models that integrate attitudinal constructs and loyalty intentions (Gupta and Zeithaml, 2006). The basic elements that integrate the model are two: for the service evaluation, perceived service quality and overall satisfaction; for the consumer loyalty intentions, commitment, recommendation, and attendance likelihood (Bolton et al., 2006; Brunner et al., 2008; Ha et al., 2014; Johnson and Gustafsson, 2000).

**Figure 1. Opinion leadership moderated mediation**



### ***Service evaluation: perceived quality and overall satisfaction***

A person's evaluation of a performing arts show is traditionally based on the perception of the service quality and their overall satisfaction. These two constructs exhibit high multicollinearity in the performing arts (Garbarino and Johnson, 1999) but are conceptually quite different. The present study builds upon research conducted in the arts services domain (see Table 1) and a large body of consumer behavior literature in satisfaction (Arora and Singer, 2006; Bagozzi, 1997; Boksberger and Melsen, 2011; Brady and Jr., 2001; Carlson and O'Cass, 2010; Hume and Sullivan Mort, 2010; Oliver, 1997; White and Yu, 2005) and perceived quality (Fornell et al., 1996; Golder et al., 2012; Parasuraman et al., 1988; Zeithaml et al., 1996). For the purpose of this research, satisfaction is conceived as the cumulative, emotional, and fulfilling post-consumption evaluation of the arts service. On the other hand, perceived quality is viewed from a functional perspective; for instance, the venue facilities' comfort and design, the additional services (cafeteria, restaurant, gallery, etc), the reliability of the show, the staff's assistance and courtesy, and the overall customer service received.

### ***Opinion leadership's moderating effect in the arts services***



Section 3 examines the characteristics of OL from psychological, behavioral, and social perspectives. These characteristics have important consequences in the way a service is evaluated and how loyalty is formed. For instance, Stokburger-Sauer and Hoyer (2009) argues that individuals with higher OL have more realistic service expectations because of their higher self-confidence on product-related decisions and the way they handle effective information. This line of thought suggests that higher levels of OL leads to a lower importance paid to the functional service attributes (conceptualized in this study as perceived quality); thus, giving a higher relevance to the emotional/fulfilling aspects of the arts service (viewed as satisfaction). In discussions of behavioral and social OL outcomes, one argument regarding behavioral loyalty and OL maintains that opinion leaders are loyal to several brands in the same product category in order to ensure the knowledge that could maintain their status quo in their social groups (Stokburger-Sauer and Hoyer, 2009). The other arguments emphasize the interpersonal role awareness amongst opinion leaders (Bertrandias and Goldsmith, 2006; Clark and Goldsmith, 2005) and the consequent emotional connection with their peers (Van der Merwe and Van Heerden, 2009). Our view tries to integrate these assertions following Jones and Taylor (2012). When an individual acts as a theater “guide” to others (Hazelwood et al., 2009), he/she should retain his/her “social capital” by means of interacting with others, attending arts shows frequently and developing his/her own opinion that will share with others.

Relying on these former ideas, the proposed model distinguishes two types of relationships that change according to OL level (low – high). When OL is high, overall satisfaction attributes are determinant to evaluate the service and predict a person’s loyalty intentions. On the other hand, among individuals that score low on OL, perceived quality attributes act as a predictor of loyalty intentions. This leads us to the following main hypotheses:

*Hypothesis 1a. Individuals with higher levels of opinion leadership trigger their loyalty level with satisfaction-related attributes of an arts service (H1a).*

*Hypothesis 1b. Individuals with lower levels of opinion leadership trigger their loyalty level with quality-related attributes of an arts service (H1b).*

### ***Opinion leadership moderating effect by gender and education level***

Evidence from empirical research on arts participation endorses the social stratification argument posed by Bourdieu (1984), in which groups of dominant social classes symbolically demonstrate superiority by distancing themselves from mass culture and by signaling distinctive cultural taste. Specifically, this body of literature claims that attendance likelihood in the arts is related to gender and education. For instance, there is a wide-ranging consensus claiming that women's likelihood to attend a performing arts event is higher than men's (Andreasen and Belk, 1980; Ateca-Amestoy, 2008; Chan and Goldthorpe, 2005; Montgomery and Robinson, 2006; Montoro-Pons and Cuadrado-García, 2016; Quine, 1999). As an illustration, Upright (2004) highlights the influence of wives on the couple's arts attendance and explains the cultural and social mechanisms that influence participation in the arts among married couples. In Upright's view: "...the social network of an individual (including the network represented by marriage) increases the likelihood of attending even in the absence of members of the influencing network (p.14)", and "...the influence of women on husband's arts participation exceeds the influence of husband's on their wives' behavior (p.16)".

While research on arts participation explained by gender has found a single voice, examination of performing arts attendance explained by education level offers mixed results. A majority of studies finds a monotonic relationship between education level and attendance likelihood to an arts event (Andreasen and Belk, 1980; Ateca-Amestoy, 2008; Chytková et al., 2012; Hager and Winkler, 2012; Lewis and Seaman, 2004; Masters et al., 2011; Montoro-Pons and Cuadrado-García, 2016; O'Hagan, 1999; Upright, 2004). Conversely, few studies suggest an irregular attendance pattern; claiming none or lower probability of attendance when there is no educational qualifications, and similar arts participation at the other educational levels (Chan and Goldthorpe, 2005; Montgomery and Robinson,

2006). Though both perspectives concede that performance arts participation is reduced among people with lowest educational qualifications (in this study, secondary education level or less), we support the second positioning assuming that after a middle education level (in this study, undergraduate level) an individual is sufficiently qualified to be interested and aware of the arts activities offered in a city.

We expect that OL moderating effects will be stronger among women and individuals with medium, and higher educational qualifications achieved. Therefore, the following hypotheses that test for opinion moderated mediation effect are posed:

In relation to the female group where OL moderated mediation exist:

*Hypothesis 2a. Women with higher degrees of OL trigger their loyalty level with satisfaction-related attributes of an arts service (H2a).*

*Hypothesis 2b. Women with lower degrees of opinion leadership trigger their loyalty level with quality-related attributes of an arts service (H2b).*

In relation to the upper education groups where OL moderated mediation exist:

*Hypothesis 3a. Within the upper educated group, individuals with higher degrees of OL trigger their loyalty level with satisfaction-related attributes of an arts service (H3a).*

*Hypothesis 3b. Within the upper educated group, individuals with lower degrees of opinion leadership trigger their loyalty level with quality-related attributes of an arts service (H3b).*

In relation to the medium education qualified groups where OL moderated mediation exist:

*Hypothesis 4a. Within the middle educated group, individuals with higher degrees of OL trigger their loyalty level with satisfaction-related attributes of an arts service (H4a).*

*Hypothesis 4b. Within the medium education level group, individuals with lower levels of opinion leadership trigger their loyalty level with quality-related attributes of an arts service (H4b).*

In contrast, we expect not to find an OL moderated mediation effect in either direction in the following subgroups:

In relation to the male group where OL moderated mediation is not expected:

*Hypothesis 5a. Men with higher degrees of OL do not trigger their loyalty level with satisfaction-related attributes of an arts service (H5a).*

*Hypothesis 5b. Men with lower degrees of opinion leadership do not trigger their loyalty level with quality-related attributes of an arts service (H5b).*

In relation to the lower education groups where OL moderated mediation is not expected:

*Hypothesis 6a. Within the low education level group, individuals with higher degrees of OL do not trigger their loyalty level with satisfaction-related attributes of an arts service (H6a).*

*Hypothesis 6b. Within the low education level group, Individuals with lower levels of opinion leadership do not trigger their loyalty level with quality-related attributes of an arts service (H6b).*

## **5. Methodology**

### ***Data collection and sample***

Building on previous studies that describe the omnivore potential of audiences to attend different cultural activities (Chan and Goldthorpe, 2005; Hand and Riley, 2016) we decided to choose a venue that offers multiple performing arts shows simultaneously.

The empirical study was conducted in a venue located off- West End, in London. Its promotion relies heavily on opinion leaders to attract visitors due to the small budget for marketing activities. The venue is visited by local residents, living in London, who are regular patrons engaged in the media, arts, design, management, education and science, medical sector and architecture.

The initial sample size consisted of 450 respondents. 406 questionnaires were used in the final analysis, after excluding the respondents who didn't answer more than 5% of the self-administered

questionnaire. The instrument was completed in a dedicated space provided by the venue, where researchers could supervise the process, and control for response bias. Visitors were asked to fill out the questionnaire after the service experience with the venue. The evaluation of the service experience took an integrated perspective by asking respondents to evaluate perceived quality and satisfaction-related attributes during their visit to the playhouse. To reduce bias, qualifying conditions to participate in the study restricted visitors whose occupations have a strong relationship with the Arts (e.g. arts critics), and residents living outside London (for the limitation in responding their future behavior towards the venue). Of all the people that were approached to take part in the study, 20% agreed to participate. Respondents consisted of non-subscribers (due to the participating venue's lack of membership program). Females comprised 54% of the sample; males 46%. Education level consisted of 50% individuals with postgraduate, 27.5% with undergraduate education, and 22.5% with higher education level or less. The age group intervals were divided as follows: 16-23 (9.3%), 24-30 (24.7%), 31-40 (28%), 41-59 (30.2%), and 60+ (7.7%). This sample is similar to previous studies conducted in theaters (see Johnson et al., 2008; Petr, 2007).

### ***Measurement items***

Following the example of prior arts attendance studies (Maher et al., 2011), designing the questionnaire required context specific modifications from scales used in consumer behavior literature. The reason we included concepts such as overall satisfaction and perceived quality, discarding dimensions such as customer value is because the former two concepts have proven to be better understood by respondents and managers. For instance, Gupta and Zeithaml (2006) explain that: "Even without a precise definition of the term, customer satisfaction is clearly understood by respondents and its meaning is easy to communicate to managers. Other unobservable measures—such as service quality, loyalty, and intentions to purchase—have also had widespread use in companies and been examined extensively in academic research. To a far lesser extent, constructs such as

commitment, perceived value, and trust have made their way into company measurement systems and academic research (p.719)".

*Satisfaction.* Taking into account that overall satisfaction is seen as a post consumption judgment of the fulfillment level in an accumulative way (Fornell et al., 1996; Zeithaml, 1988), overall experience versus expectations, performance versus ideal product were adapted from the American Satisfaction Index, ACSI, (Anderson et al., 2004); enjoyment towards the experience (emotional component), and overall satisfaction with decision to attend the venue were used after Richard Olivier et al. (1997).

*Perceived quality.* Items measuring functional and specific attributes such as the facilities' comfort and appeal, staff respectfulness, additional services offered, and the show's reliability were included after the SERVPERF instrument (Brady and Jr., 2001; Cronin and Taylor, 1992). Overall perceived service quality (post-purchase) was adapted from the ACSI (Anderson et al., 2004).

*Loyalty intentions* used attitudinal and behavioral dimensions (Chen et al., 2009; Gómez Suarez and Fernandez, 2009; Jaiswal and Niraj, 2011; Mandhachitara and Poolthong, 2011; Mechinda et al., 2009; Yue and Xie, 2008). Likelihood to recommend and likelihood to repurchase were adapted from Cronin et al. (2000) and the Core Loyalty Index by TNS. These items were complemented with one attitudinal dimension such as commitment, inspired after De Wulf et al. (2001),

*Opinion leadership* was measured following Flynn et al. (1996) opinion leadership scale. Their six-item scale is domain-specific (rock music and recordings), and adaptations to other domains show stable results. For the purpose of this study, we used the following 3 items, resulting in a Cronbach's Alpha index of .69: "*I often persuade others to attend the show that I like*", "*I like giving my opinions to my friends on the shows that I have seen*", "*In the past weeks, I have given my opinion on a show I saw to a large number of people*". Our original questionnaire included two more of the original OL items: "*My opinion on shows seems not to influence other people's views*" (reversed item), "*When they choose a show, other people do not turn to me for advice*" (reversed item). However, these two items

were discarded from the final analysis because they decreased the dimension's reliability score to .64 (see Table 2). We believe that the 3-item operationalization of the OL latent concept is still captured adequately for the purpose of obtaining composite scores.

All the items in the questionnaire were measured on a 7-point Likert scale where 1 is "Strongly Disagree" and 7 is "Strongly Agree" except one item in satisfaction ("*To what extent has your experience met your expectations*") measured on a 7-point where 1 is "not at all" and 7 is "completely"; and one item for loyalty's probability to come back in the future, measured with a 7-point where 1 is "very low" and 7 is "very high".

## 6. Results

Testing moderated mediation required the following steps: first, since previous scales were adapted to the performing arts domain, an exploratory factor analysis (EFA) verified the relationships between the proposed measuring variables and their latent constructs. To obtain composite scores per factor in a more rigorous way, a confirmatory factor analysis (CFA) using *SPSS AMOS* was preferred, instead of calculating the media of each factor's measuring items. Finally, the composite factor scores obtained from the CFA were used to test the hypothesized OL effects using Hayes' *PROCESS* software (Hayes, 2013).

### *Composite factor scores estimation*

Since the original scales from previous studies were modified to the context of arts services, exploratory factor analysis (EFA) uncovered the underlying structure of a 5 factor-solution using orthogonal rotation (varimax) with 71% extracted variance. Table 2 displays the factor loadings of each item. Results of this exploratory analysis indicate that the measuring variables load adequately on their corresponding factors. However, the only discrepancy found was with the reversed items measuring opinion leadership. Since both of these items load poorly on component 4, they will not be considered for the subsequent steps.

Table 2. Exploratory factor analysis with five components

	Component				
	1	2	3	4	5
<b>Opinion leadership</b>					
My opinion on shows seems not to influence other people's views	.153	-.058	.062	.034	<b>.868</b>
When they choose a show, other people do not turn to me for advice	-.054	.119	.044	.292	<b>.783</b>
I often persuade others to attend the show that I like	.078	.004	.168	<b>.782</b>	.084
I like giving my opinions to my friends on the shows that I have seen	.099	.093	.167	<b>.803</b>	-.005
In the past weeks, I have given my opinion on a show I saw to a large number of people	.041	.120	-.032	<b>.612</b>	.297
<b>Perceived quality</b>					
The arts venue facilities are visually appealing and comfortable	.322	<b>.700</b>	.143	.220	.023
The arts venue offered a reliable show	.379	<b>.710</b>	.183	.062	.011
The arts venue provided excellent overall service	.436	<b>.752</b>	.118	.047	.094
The Staff at the arts venue is polite and respectful at all times	.141	<b>.843</b>	.088	-.068	.030
Additional services provided at the arts venue (cafeteria, gallery, exhibitions, music) help increase the overall quality	.205	<b>.740</b>	.180	.146	-.016
<b>Satisfaction</b>					
What is your overall satisfaction with today's experience at the arts venue?	<b>.857</b>	.240	.066	.020	.074
To what extent has your experience at the arts venue met your expectations?	<b>.830</b>	.252	.146	.093	.010
How well did the arts venue compare with the ideal type of venue?	<b>.609</b>	.324	.375	.134	-.101
I have truly enjoyed the experience at this venue	<b>.844</b>	.268	.093	.056	.059
I am satisfied with my decision to come to this venue.	<b>.794</b>	.234	.061	.079	.077
<b>Loyalty intentions</b>					
I feel committed to this venue	.061	.175	<b>.844</b>	.093	-.009
I would recommend the arts venue to my friends and family	.326	.334	<b>.682</b>	.116	-.002
The probability that I will come back in the next three months is ...	.100	.070	<b>.834</b>	.140	.137

A summary of the CFA model fit, and observed variables' regression weights, mean scores, and standard errors is presented in Table 3. Most of these standardized loading estimates exceed the recommended cut-off level of .60 in the social sciences. Only one loading measuring OL fall just below the recommended .60 standard but it is retained in the measurement model because we believe that it complements the definition of OL (Flynn et al., 1996); also, the entire model is not severely affected by its inclusion. The measurement model yielded fit indices that surpass the levels recommended by Hair et al. (2010). The chi-square statistic was 350.44 with 98 degrees of freedom ( $p < .001$ ) and a relative chi-square of 3.576. In addition, the other fit indices satisfied the recommended values (CFI=.926, GFI=.903, NFI= .901, and RMSEA=.080 with 90% confidence interval between.071



and.089). Considering the model complexity, number of items and sample size, the overall fit of the model is within acceptable levels and suggest an adequate composite score transformation.

Besides the criteria of overall fit with the data, the adequacy of the measurement model is evaluated using convergent and discriminant validity. The reliability indices, descriptive statistics, and inter-correlations of the constructs are reported in Table 4. Construct reliabilities are considerably high in all dimensions (above .70) except for OL that falls just below the cutoff suggested value (.69). To estimate convergent reliability, we calculated the average variance extracted (AVE) from the items by each construct. Most dimensions had AVE values above or very close to the suggested .50 score (Hair et al., 2010), except for OL. Discriminant validity was verified in all the cases because the square root of AVE is greater than the inter-construct correlations.

**Table 3.** Confirmatory factor analysis results

	Media	S.E.	SRW <sup>+</sup>	Estimate	S.E.	p < .001
<b>Opinion leadership</b>						
I often persuade others to attend the show that I like	5.092	.073	.651	1		
I like giving my opinions to my friends on the shows that I have seen	5.547	.063	.792	1.064	.126	***
In the past weeks, I have given my opinion on a show I saw to a large number of people	4.190	.096	.502	1.024	.131	***
<b>Perceived quality</b>						
The arts venue facilities are visually appealing and comfortable	5.495	.059	.765	1		
The arts venue offered a reliable show	5.888	.056	.784	.967	.059	***
The arts venue provided excellent overall service	5.740	.057	.876	1.099	.060	***
The Staff at the arts venue is polite and respectful at all times	6.082	.058	.761	.98	.062	***
Additional services provided at the arts venue (cafeteria, gallery, exhibitions, music) help increase the overall quality	5.819	.063	.712	.995	.068	***
<b>Satisfaction</b>						
What is your overall satisfaction with today's experience at the arts venue?	6.123	.050	.819	1		
To what extent has your experience at the arts venue met your expectations?	6.042	.053	.818	1.055	.056	***
How well did the arts venue compare with the ideal type of venue?	5.622	.056	.753	1.023	.061	***
I have truly enjoyed the experience at this venue	5.951	.053	.863	1.118	.055	***
I am satisfied with my decision to come to this venue.	6.145	.051	.787	.984	.055	***
<b>Loyalty intentions</b>						
I feel committed to this venue	4.630	.086	.673	1		
I would recommend the arts venue to my friends and family	6.003	.051	.828	.729	.060	***
The probability that I will come back in the next three months is ...	5.221	.088	.627	.945	.090	***
<b>Model fit summary</b>						
$\chi^2$ :350.44; df: 98; $\chi^2$ /df:3.576; RMR: .098; RMSEA: .08 (.071 -.089, 90% interval); GFI: .903; NFI: .901; CFI: .926						
<sup>+</sup> Standardized regression weight						

**Table 4.** Correlation/Covariance Matrix of Constructs

	Mean	SD <sup>a</sup>	CR <sup>b</sup>	AVE	Loyalty <sup>c</sup>	Opinion leadership	Perceived quality	Satisfaction
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<b>Loyalty</b>	6.57	1.057	.755	.511	<b>.715</b>	.476	.629	.581
<b>Opinion leadership</b>	4.20	.821	.690	.434	.429	<b>.659</b>	.237	.204
<b>Perceived quality</b>	5.47	.867	.886	.611	.591	.274	<b>.781</b>	.551
<b>Satisfaction</b>	5.41	.788	.904	.654	.604	.260	.737	<b>.809</b>

Notes: <sup>a</sup>SD = Standard deviation. The mean and standard deviations are calculated from the individual observations of each construct's items.

<sup>b</sup> First column refers to Cronbach's Alpha, and the second is the average variance extracted by construct.

<sup>c</sup> Correlations are below the diagonal, square root of the AVE are on the diagonal, and covariances are above the diagonal.

Reliability of most factors was met, convergent validity reached the suggested .50 score except for OL (.43); discriminant validity was satisfied, and each latent factor is properly explained by its own observed variables. Thus, we consider that it is suitable to impute factor composite scores and proceed examination of the moderated mediation effect.

### *Conditional effects*

The current hypothesized model (Figure 1) includes a mediation process ( $PQ \rightarrow S \rightarrow L$ ): an individual's perceived quality of an arts service ( $PQ$ ) explains his/her positive overall satisfaction ( $S$ ) that will in turn, lead to loyalty positive attitudes and behaviors towards the service provider ( $L$ ). The model is combined with moderation of the  $S \rightarrow L$  effect by  $OL$  and the moderation of the  $PQ \rightarrow L$  effect by  $OL$ , hypotheses 1a, and 1b respectively. The effect of the individual's overall satisfaction and the effect of his/her perceived quality are contingent on his/her OL behavior ( $OL$ ). Estimation of the corresponding regression coefficients used 5,000 bootstrap samples with 95% confidence intervals. The unstandardized coefficients as well as percentile confidence intervals for inference of all the observations are displayed in Table 5.

**Table 5. Estimates of the conditional effects for satisfaction and loyalty intentions**

<i>S</i> (Satisfaction)					
	Coeff	SE	<i>p</i>	LLCI	ULCI
Constant	.000	.023	1.000	-.047	.047
Quality	.723	0.046	.000	0.631	0.814
$R^2 = 0.633$					
$F(1.00) = 241.27, p < .001$					
<i>L</i> (Loyalty intentions)					
	Coeff	SE	<i>p</i>	LLCI	ULCI
Constant	6.577	.037	.000	6.504	6.649
Satisfaction	.530	.103	.000	.326	.733
Quality	.317	.079	.000	.161	.473
OL	.392	.047	.000	.299	.484
<i>S</i> x <i>OL</i>	.235	.117	.045	.005	.465
<i>PQ</i> x <i>OL</i>	-.226	.090	.012	-.404	-.049
$R^2 = 0.615$					
$F(5.00) = 114.02, p < .001$					
Mediation effect index for satisfaction: .169 (SE =.076) Bootstrap (LLCI .011 ULCI .3015)					

Results in Table 5 show the estimates for both satisfaction and loyalty intentions. Consistent with previous studies, the regression coefficient that predicts overall satisfaction is statistically significant and positive (.723). As for OL conditional indirect effect, estimation of loyalty intentions by satisfaction is indeed contingent on the individual's OL. This is evidenced by the positive significant interaction between the product of satisfaction and OL (0.235,  $p=.045$ ) and the confidence intervals that do not straddle zero. On the other hand, the effect of perceived quality on loyalty intentions is also dependent on OL. This interaction is significant but negative (-0.226,  $p=.012$ ), corroborated by the bootstrap intervals that do not include zero. Table 5 also shows an overall mediation index for satisfaction (.169), suggesting a mediation effect. In sum, evidence from the

regression coefficients, the standard errors, *p*-values, and bootstrap intervals confirm that there is indeed a conditional direct and indirect effect. Therefore, the hypothesized moderated mediation holds for hypotheses H<sub>1a</sub>, and H<sub>1b</sub>.

In addition, *PROCESS* provides the moderation effect pattern by quantifying the conditional effect for various values of OL using bootstrapping. Table 6 shows these conditional direct and indirect effects at different values of OL (the 10<sup>th</sup>, 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup>, and 90<sup>th</sup> percentiles). For instance, the direct effect of perceived quality on loyalty intentions is not contingent at very high levels of OL (see Figure 2). No significant evidence was found at the very high values of OL. On the other hand, the indirect effect through satisfaction is subject to all OL levels.

**Table 6. Conditional effects at different values of the moderator.**

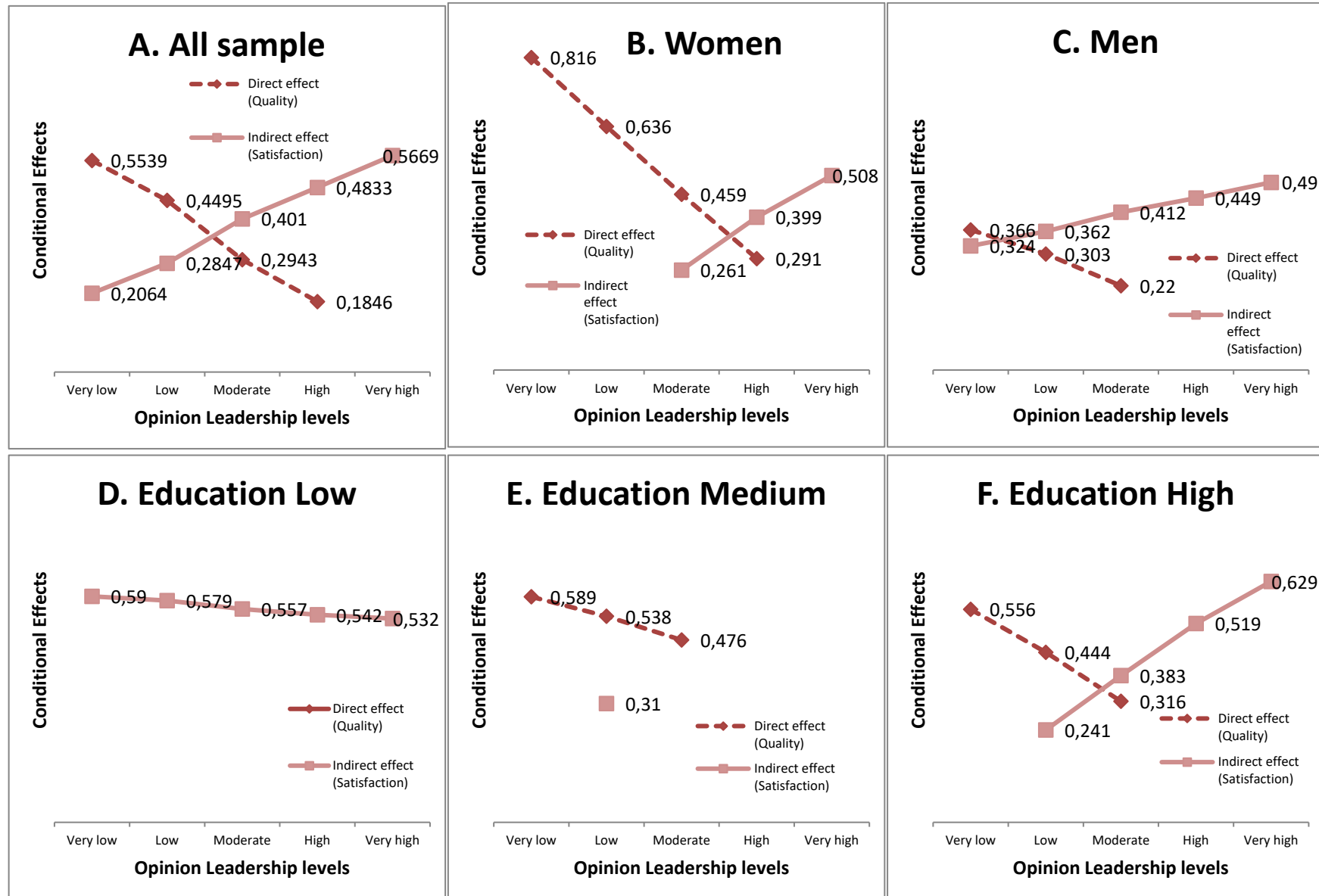
Conditional direct effect of Perceived Quality on Loyalty intentions						
OL level	Percentile	Opinion leadership Values	Effect	SE	LLCI	ULCI
very low	10th	-1.041	.553	.136	.286	.821
low	25th	-.580	.449	.104	.243	.655
moderate	50th	.103	.294	.077	.141	.447
high	75th	.587	.184	.084	.018	.351
very high	90th	1.08	.073	.110	-.144	.290
Conditional indirect effect of Perceived Quality on Loyalty intentions through Satisfaction						
OL level	Percentile	Opinion leadership Values	Effect	SE	LLCI	ULCI
very low	10th	-1.041	.206	.107	.008	.421
low	25th	-.580	.284	.085	.117	.451
moderate	50th	.103	.401	.073	.260	.556
high	75th	.587	.483	.086	.331	.672
very high	90th	1.08	.566	.110	.365	.794

Figure 2 shows the visual representation of these indirect and direct effects with all observations, and by gender and education level. The *Y*-axis corresponds to the OL effect on loyalty intentions. The *X*-axis corresponds to the values of the OL moderator (from very low to very high), and each line represents the direct and indirect effects. The slopes of the lines represent the statistically decreasing

(direct effect coefficient = -0.226) and increasing (indirect effect coefficient = 0.235) influence exerted by OL at different levels. Both lines only show the significant effects found.

Results are consistent with the suggested hypotheses. Hypothesis 1 that suggests OL influence is confirmed for both effects (*H1a* and *H1b*). Moreover, the analysis shows a more precise pattern. There is not a conditional direct effect between perceived quality and loyalty intentions at very high OL levels and there is a conditional indirect effect explained by satisfaction at all OL levels.

Figure 2. Visual representation of the conditional indirect and direct effects across groups.



### *Moderated mediation by gender and education levels*

This section extends the previous findings by testing conditional effects by gender and education levels subsamples. Results from the analysis in Table 7 show a summary of the estimates and interactions by group. Among all the segments, OL interactions are verified amongst women and the high education level group whose confidence interval scores do not straddle zero. To better understand the pattern of these effects per group, the results are graphically presented in Figure 2. As hypothesized, OL has a conditional effect directly and indirectly among women and high education group, but only at particular levels. For instance, amongst women, OL has an increasing indirect effect (satisfaction) on loyalty only at moderate, high, and very high OL levels; and a decreasing direct effect (perceived quality) on loyalty at very low, low, moderate, and high OL levels. Men's OL level doesn't have any significant effect on explaining loyalty, as evidenced by the high p-value obtained. The same follows to the group with lower education levels. Contrary to expected, the medium education group doesn't exhibit a significant OL level at any level. This contradicts our belief that OL had an impact within medium and higher education level groups.

**Table 7. Estimates of the conditional effects for satisfaction and loyalty intentions by gender and education level**

WOMEN						MEN						EDUCATION LOW						EDUCATION MEDIUM						EDUCATION HIGH					
S (Satisfaction)						S (Satisfaction)						S (Satisfaction)						S (Satisfaction)						S (Satisfaction)					
Coef	SE	p	LLC	ULC		Coef	SE	p	LLC	ULC		Coef	SE	p	LLC	ULC		Coef	SE	p	LLC	ULC		Coef	SE	p	LLC	ULC	
Constant	0	0.04	1	-0.07	0.07	Constant	0	0.03	1	-0.07	0.07	Constant	0	0.06	1	-0.11	0.11	Constant	0	0.05	1	-0.1	0.1	Constant	0	0.03	1	-0.07	0.07
Quality	0.81	0.07	0	0.67	0.95	Quality	0.59	0.07	0	0.46	0.72	Quality	0.78	0.09	0	0.6	0.95	Quality	0.65	0.08	0	0.49	0.81	Quality	0.7	0.1	0	0.51	0.89
$R^2=0.682$ $F(1.00)=131.63, p < .001$						$R^2 = .529$ $F(1.00)=76.4, p < .001$						$R^2 = .733$ $F(1.00)=79.07, p < .001$						$R^2 =0.537$ $F(1.00)=65.17, p < .001$						$R^2 =0.571$ $F(1.00)=51.52, p < .001$					
L (Loyalty intentions)						L (Loyalty intentions)						L (Loyalty intentions)						L (Loyalty intentions)						L (Loyalty intentions)					
Coef	SE	p	LLC	ULC		Coef	SE	p	LLC	ULC		Coef	SE	p	LLC	ULC		Coef	SE	p	LLC	ULC		Coef	SE	p	LLC	ULC	
Constant	6.77	0.06	0	6.65	6.89	Constant	6.13	0.04	0	6.04	6.21	Constant	6.56	0.1	0	6.36	6.76	Constant	6.49	0.08	0	6.32	6.65	Constant	6.64	0.05	0	6.54	6.73
Satisfaction	0.31	0.16	0.06	-0.01	0.63	Satisfaction	0.69	0.13	0	0.42	0.95	Satisfaction	0.72	0.15	0	0.43	1.01	Satisfaction	0.45	0.27	0.1	-0.08	0.99	Satisfaction	0.53	0.16	0	0.2	0.85
Quality	0.47	0.13	0	0.22	0.73	Quality	0.23	0.12	0.02	0.04	0.42	Quality	0.09	0.12	0.46	-0.15	0.33	Quality	0.49	0.22	0.02	0.09	0.89	Quality	0.33	0.14	0.02	0.06	0.6
OL	0.66	0.08	0	0.51	0.81	OL	0.3	0.06	0	0.19	0.42	OL	0.54	0.11	0	0.32	0.76	OL	0.4	0.12	0	0.16	0.64	OL	0.3	0.06	0	0.18	0.42
S x OL	0.3	0.19	0.12	-0.08	0.69	S x OL	0.13	0.17	0.44	-0.21	0.48	S x OL	-0.03	0.23	0.89	-0.49	0.43	S x OL	-0.05	0.25	0.84	-0.54	0.44	S x OL	0.35	0.12	0	0.12	0.59
PQ x OL	-0.3	0.14	0.04	-0.58	-0.02	PQ x OL	-0.13	0.14	0.24	-0.35	0.09	PQ x OL	0.01	0.15	0.92	-0.28	0.31	PQ x OL	-0.1	0.17	0.57	-0.43	0.24	PQ x OL	-0.22	0.14	0.11	-0.5	0.05
$R^2=0.633$ $F(5.00)=74.46, p < .001$						$R^2 = .662$ $F(5.00)=55.19, p < .001$						$R^2 =0.755$ $F(5.00)=50.60, p < .001$						$R^2 =0.573$ $F(5.00)=20.87, p < .001$						$R^2 =0.574$ $F(5.00)=37.26, p < .001$					
Mediation effect index for satisfaction: .245 (SE =.120) Bootstrap (LLCI -.015 ULCI .435)						Mediation effect index for satisfaction: .079 (SE =.100) Bootstrap (LLCI -.090 ULCI .311)						Mediation effect index for satisfaction: -.024 (SE =.186) Bootstrap (LLCI -.359 ULCI .380)						Mediation effect index for satisfaction: -.032 (SE =.149) Bootstrap (LLCI -.327 ULCI .269)						Mediation effect index for satisfaction: .248 (SE =.096) Bootstrap (LLCI .067 - ULCI: .472)					



In light of these results, the hypotheses posed for this study are supported except for the conditional effect amongst the medium education group. Table 8 shows a summary of all the hypotheses.

**Table 8 Summary of the hypothesized conditional effects.**

H1a: $PQ \rightarrow S \rightarrow  OL  \rightarrow L$	OL significant indirect effect	Estimate=.235; SE=.117; p=.045 Bootstrap (LLCI=.005; ULCI=.465)	Supported
H1b: $PQ \rightarrow  OL  \rightarrow L$	OL significant direct effect	Estimate=-.226; SE=.090; p=.012 Bootstrap (LLCI=-.404; ULCI=-.049)	Supported
Gender and education groups			
H2a (Women): $PQ \rightarrow S \rightarrow  OL  \rightarrow L$	OL significant indirect effect	Estimate=-.303; SE=.193; p=.118 Bootstrap(LLCI=-.078; ULCI=.685)	Supported at particular levels of OL
H2b (Women): $PQ \rightarrow  OL  \rightarrow L$	OL significant direct effect	Estimate=-.299; SE=.142; p=.037 Bootstrap (LLCI=-.581; ULCI=-.018)	Supported
H3a (Higher education): $PQ \rightarrow S \rightarrow  OL  \rightarrow L$	OL significant indirect effect	Estimate=.354; SE=.121; p=.003 Bootstrap (LLCI=.115; ULCI=.594)	Supported
H3b (Higher education): $PQ \rightarrow  OL  \rightarrow L$	OL significant direct effect	Estimate=-.224; SE=.139; p=.111 Bootstrap (LLCI=-.500; ULCI=.052)	Supported
H4a (Medium education): $PQ \rightarrow S \rightarrow  OL  \rightarrow L$	OL significant indirect effect	Estimate=-.050; SE=.247; p=.839 Bootstrap (LLCI=-.542; ULCI=.441)	Not supported
H4b (Medium education): $PQ \rightarrow  OL  \rightarrow L$	OL significant direct effect	Estimate=-.097; SE=.169; p=.565 Bootstrap (LLCI=-.434; ULCI=.239)	Not supported
H5a (Men): $PQ \rightarrow S \rightarrow  OL  \rightarrow L$	No OL effect	Estimate=.134; SE=.172; p=.437 Bootstrap (LLCI=-.206; ULCI=.475)	Supported
H5b (Men): $PQ \rightarrow  OL  \rightarrow L$	No OL effect	Estimate=-.131; SE=.110; p=.236 Bootstrap (LLCI=-.349; ULCI=.086)	Supported
H6a (Low education): $PQ \rightarrow S \rightarrow  OL  \rightarrow L$	No OL effect	Estimate=-.031; SE=.231; p=.890 Bootstrap (LLCI=-.492; ULCI=.428)	Supported
H6b (Low education): $PQ \rightarrow  OL  \rightarrow L$	No OL effect	Estimate=.014; SE=.147; p=.921 Bootstrap (LLCI=-.278; ULCI=.307)	Supported

## 7. Discussion

Empirical investigation in the arts services is in its early stages and the existing literature calls for further exploration of consumer traits that have an influence on loyalty formation (Rahman and Khan, 2014; Srivastava and Rai, 2013). The present study contributes to the services marketing literature in several important areas, specifically in the realm of arts services evaluation and the role of opinion leaders to increase positive loyalty outcomes.

Based on prior audience development studies, we tested OL's moderated mediation using the visitors evaluation of the service received. Service evaluation consisted on two parts: functional aspects, measured by quality; and fulfilling, emotional-related aspects measured by satisfaction. Results from the empirical study demonstrate that OL conditions the service evaluation – loyalty relationship: amongst individuals with higher OL scores, loyalty is influenced to a greater degree by their overall satisfaction towards the arts venue than by their perceived quality. That is, loyalty is predicted with emotional, fulfilling attributes of the service when OL is high. Also, loyalty is formed with functional attributes of the service when OL is low. Consistent with previous research on audience attendance, the data supports a moderation effect amongst women and visitors with high educational qualifications. Equally interesting are the results amongst groups where OL does not have any effect. The relationship between service evaluation and loyalty between men and individuals with lower, and medium education levels is not explained by their OL. This lack of moderation effect opens the door to explain these differences, and expand Bourdieu's social stratification argument.

One reason for this OL effect may be attributed to the way individuals with higher OL evaluate services. They form more realistic expectations of an arts service due to their self-confidence to take product-related decisions and the effective way in which they handle information (Stokburger-Sauer and Hoyer, 2009). By extension, during the service experience process of an opinion leader, satisfaction-related aspects may outweigh the way functional service attributes are evaluated.

An alternative explanation based on the literature helps account for the role of emotional service components as a filter in evaluating a service and building loyalty (Koenig-Lewis and Palmer, 2014; Mazaheri et al., 2012; Riscinto Kozub et al., 2014). An opinion leader's evaluation of an arts service may be influenced by his/her emotional involvement with the service and the inherent high emotive components of an arts experience.

Consequently, these emotional aspects call for the opinion leader's role in his/her group and his/her loyalty to arts organizations. Elaborating from Stokburger-Sauer and Hoyer (2009) and Van

der Merwe and Van Heerden (2009), we believe that loyalty to several arts venues may be necessary to acquire knowledge that allows an opinion leader to maintain his/her role with their group. In fact, retaining this “social capital” by means of being a loyal consumer (Jones and Taylor, 2012) may satisfy an opinion leader’s sense of belonging, group recognition, and group acceptance.

Our theoretical framework supports the assumption that opinion leaders act as “guides” in the performing arts using their persuasion skills to bring more people to a venue. Moreover, prior research describes opinion leaders as persuasive agents of non-frequent arts visitors, guiding individuals less knowledgeable and less experienced than them (Hazelwood et al., 2009). This behavior is consistent with an extended belief in the performing arts sector that claims that opinion leaders seek non-monetary benefits when encouraging attendance to those less knowledgeable.

The literature indicates that dissatisfied customers reflect their service experience in negative outcomes (Zeelenberg and Pieters, 2004). Hence, further knowledge of OL components and the situations where moderation occurs are useful to establish profitable relationships with arts organizations; particularly to evaluate the extent to which opinion leader’s outcomes might occur in a negative/positive service evaluation (i.e. an asymmetric effect). In short, is the negative effect that service failure produces to opinion leaders higher than the outcomes when service is evaluated positively? If yes, then this asymmetric effect may carry a “boomerang effect” to arts organizations at the moment of targeting opinion leaders with more expectations, bringing probabilities of generating negative recommendations and causing other visitors to abandon. Therefore, arts managers should establish control mechanisms to maintain service attributes level.

Similar to OL, other cognitive traits such as *consumer expertise*, *emotional attachment*, or *diffusion of innovation* have been examined in the literature. For instance, Mitchell and Dacin (1996) extensively explore product-class expertise and its components: knowledge content, and organization, and the cognitive reasons for brand choice. In spite of the interest in studying the process and the objective and subjective features of knowledge, we find that OL is more adequate for the study of arts

services due to the interpersonal context in which OL exists. While *consumer expertise* may be limited to the individual's knowledge scope, OL adds the impact an individual exerts on his/her peers in the form of influence, advice given, persuasion, preference to share opinions, etc. In other words, this study's interest is in the decisions and interactions an expert makes with this knowledge and the way this behavior act as moderator, captured by OL. Although we grant that recalling different art shows features is important, we maintain that the act of knowledge accumulation may not increase the venue's recommendations. Perhaps people with less expertise may influence more people, regardless of the knowledge they have.

### ***Managerial implications***

Empirical evidence in marketing agrees that prescription and recommendations are one of the most important indicators (Reichheld, 2004). Hence, opinion leaders should be main players in the audience development strategy of an arts organization for their likelihood to persuade others to participate in the arts. In comparison to more expensive forms of advertising, opinion leadership remains the most cost-effective communication form to draw people to an arts event (Hazelwood et al., 2009). In other words, enhancing relationships with opinion leaders will result in better resource allocation to establish better recommendation programs.

In the last years, events organizations have placed a great deal of emphasis on social aspects of attendance using public relations, premieres or membership programs as instruments to increase their patron base. Due to the influential power of opinion leaders and their personal characteristics, communication campaigns should try to match these opinion leaders' involvement, uniqueness, and self-confidence characteristics. This is particularly important during the introduction of an innovative event because it could reduce conventional risk-adverse barriers (e.g. promotion of an independent production that portrays a sensitive topic in the society), and it could generate acceptance among the general public.

Research highlights the importance of social influence of opinion leaders on their reference groups, and the need to identify and target these individuals (Iyengar et al., 2011). Even if self-reports (collected with questionnaires) provide well-established results to identify referrals, online social network studies have not only gained in popularity but have proven to be effective in the process of identifying and targeting opinion leaders. We suggest that arts organizations and policy makers invest in the development of audiences through online social networks in order to identify and target loyal visitors (Van der Merwe and Van Heerden, 2009).

Though a segmentation strategy may be effective to identify opinion leaders, arts managers should support the transversal implications of applying this strategy across the entire organization, specifically to adopt it as a philosophy centered in the visitors and the arts show. For instance, beyond using customer relationship management (CRM) tools (e.g. *Tessitura*, *PatronManager*, or *Enta*) to identify and target segments, an arts organization should dedicate resources to consolidate a marketing team that gives meaning to the data on a daily basis. We believe that this should not be seen as a random task but as a regular activity in which all members of the organization producers, directors, and theater companies are involved.

By focusing on box office data exclusively, a theater venue simplifies a reality and overlooks other sources of information found in social networks, or suppliers', and theater companies' databases. Thus, we suggest more efforts to integrate this data and have a unified picture of each segment. In this way, stochastic models application to cultural venues have proven to be an effective way to predict attendance and evaluate communication with different publics (Trinh and Lam, 2016). As an illustration, identification of opinion leaders should link number of likes with the venue's Facebook page, comments, twitter, or with demographic data, and internal data (events and frequency of attendance, amount spent, communication established online/offline). Other ideas include embedding the digital communications into the CRM strategy using more cost-effective tools (e.g. *VEinteractive*, *AbandonAid*).

### *Limitations and future research*

Like most studies, ours has limitations in various realms. (1) The service evaluation – loyalty intentions model was analyzed with data obtained from a single arts organization and results reflect only the opinions of a segment that attended this arts venue during the time the study took place. Extending the same study to compare the results with other arts venues (the competitive environment) requires consideration of other different venues, and controlling for variables like place, price, and activity analyzed. (2) Although a consumer declares to behave in a particular way in the future, his/her future behavior depends on the arts shows offered in a geographic region. Large cities with extensive and diverse cultural entertainment make people change places to see different shows or to be loyal to several organizations or loyal to a production company, to a playwright, or to an actor (similar to the multi-brand loyalty concept). Therefore, consumer outcomes depend on the artistic shows offered. Application of the same questionnaire in smaller cities might reveal a different pattern (e.g. present spurious loyalty by being loyal to the only theatre available in town). (3) Any moderated mediation analysis of a social phenomenon involves a loss of some information when reducing a complex arts service process to a single estimate obtained from the product of some direct effects (Hayes, 2013). Complexity in the arts services demands qualitative analyses too.

Our framework assumes a monomorphic tendency in the arts and leisure services domain (i.e., the opinion leader traditionally shares his/her expertise with his/her group in the same domain). We are aware that an opinion leader can influence others in a broad range of domains (polymorphic). Moreover, an opinion leader can change his/her role across contexts, groups, or lifecycle (Flynn et al., 1996). Future empirical research can explore these issues too.

OL studies should also incorporate the perceptions of others (i.e., non-opinion leaders). It is not sufficient to be self-considered as an opinion leader; a social group needs to validate a person as an opinion leader.

Although research has explored only the influence of satisfied visitors on his/her loyalty intentions, future research could also explore the reverse effect, by describing the negative consequences of dissatisfied opinion leaders, and the impact on their groups they influence.

We also suggest following an integrative perspective (ecosystem) to study the role of opinion leaders' decisions in front of other service providers and substitute products. Arts and leisure services is a highly fragmented market in which leisure activities are abundant. In this competitive decision making scenario, OL-type of individuals naturally assume an OL role, particularly when choices are abundant (Rose and Kim, 2011).

The theoretical framework suggests the importance of emotional service aspects among opinion leaders in the development of customer loyalty. We suggest that this effect is higher in the context of services that fulfill hedonic and/or leisure needs, or for high involvement products. A comparison between different service categories will expand knowledge in the area of loyalty formation across service types.

Online reviews with positive affective content have proven effective in increasing positive behavioral outcomes (Ludwig et al., 2013). However, we believe that personal recommendations are more effective than online reviews in the Arts. On the Internet, the overwhelming amounts of information available and the process of searching, filtering, prioritizing, and deciding on that information discourage consumers to attend a show. We encourage researchers to advance knowledge on OL by explaining their role as influencers or followers in the context of social networks. Are these concepts an extension of the behavior that occurs offline?.

Another approach in the study of OL is the relationship between opinion leadership and opinion seeking (OS) behavior. Traditionally, OL and OS behaviors have been described as the cause–consequence of each other. Shoham and Ruvio (2008) also added emotional participation as an explanatory variable. They suggest that OL and OS are unrelated in domains with low emotional participation, such as the PC and software market. Intuitively, in domains with a high emotional

participation, as the arts, OL and OS are related. As individuals share their opinions with others about an arts event, they need to seek information from other sources to refine their expertise, to keep their opinion leader role in the group. Future studies could test for differences between these behaviors.

In times of political turmoil and market “ambivalence”, new forms of cooperation based on creativity are emerging (Zamagni and Bruni, 2013). Persuading others to participate in the Arts should go beyond serving personal or monetary interests. It should be a way to encourage the society to receive the positive effects that the Arts brings (see Stuckey and Nobel, 2010 for details on the beneficial effects). Although OL understanding remains complex, services marketing literature provides an adequate framework to understand and predict customer loyalty among audiences who, besides evaluating and supporting a cultural activity, actively unveil the Arts initiatives to the community, and make the Arts more democratic.



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